BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2012-253-C - ORDER NO. 2012-778

SEPTEMBER 27, 2012

IN RE:	Petition of the Office of Regulatory Staff for)	ORDER REVOKING
	Commission to Order a Rule to Show Cause)	CERTIFICATES OF
	as to Why The Certificates of Public)	PUBLIC CONVENIENCE
	Convenience and Necessity for Certain)	AND NECESSITY FOR
	Providers of Telecommunications Services)	FAILURE TO FILE
	Should Not be Revoked)	PERFORMANCE BONDS

This matter comes before the Public Service Commission of South Carolina ("the Commission") by way of the Petition for a Rule to Show Cause as to why Certificates of Public Convenience and Necessity ("Certificates") of certain telecommunications companies should not be revoked for failure to file a bond or other security mechanism.¹ ORS's Petition was filed with the Commission on June 25, 2012. The Commission is responsible for the regulation of telephone utilities operating for compensation as set forth in S.C. Code Ann. § 58-9-10 et seq. (Supp. 2011).

The telecommunications companies listed in Exhibit A to ORS's Petition are subject to the jurisdiction of this Commission pursuant to S.C. Code Ann. § 58-9-710 et seq. (1976 & Supp. 2011). Further, these telecommunications companies have submitted to the jurisdiction of the Commission by virtue of holding a Certificate of Public Convenience and Necessity as indicated in Exhibit A.

¹ This Order revokes the certificates of public convenience and necessity regarding the provision of residential local exchange services. This Order does not affect the listed carriers' authority to provide interexchange services.

Effective as of June 24, 2011, 26 S.C. Ann. Regs. 103-607 states that a bond or other security mechanism is required of "...telephone utilities who provide retail residential local exchange services and who, individually or together with their affiliates, have not invested at least five million dollars in telecommunications facilities in the State of South Carolina." The regulation further states that, "The commission shall determine the type and the amount of bond or other security mechanism to be filed by the carrier with the commission and the ORS."

ORS developed a list of the telephone utilities that failed to file the requisite bond or security mechanism. ORS attached the list as Exhibit A to ORS's Petition. On August 1, 2012, ORS pre-filed the direct testimony of Mr. James M. McDaniel advising the Commission of those companies that had failed to file the required bond or security mechanism and included as Exhibit JMM-2 a list showing those carriers that remained out of compliance as of the filing of the pre-filed direct testimony.

The Commission set this matter for a hearing on September 12, 2012.

At the hearing, ORS was represented by C. Lessie Hammonds, Esquire. Mr. James M. McDaniel, Program Manager, testified for ORS. Bonnie D. Shealy, Esquire, represented dPi Teleconnect, LLC, Ring Connection, Inc., and Nexus Communications, Inc.

At the hearing, Mr. McDaniel presented testimony that certain companies certificated by the Commission to provide retail residential local exchange services failed to file the required bond or security mechanism. Further, Mr. McDaniel testified that, since the filing of the Petition and the submission of pre-filed testimony in this matter,

certain of the telephone utilities named in the Petition have come into compliance with the Commission's rules and regulations. At the hearing, ORS submitted a Revised Exhibit JMM-2 listing those companies which remained out of compliance as of the date of hearing.

The Commission finds that the Petition should be dismissed as to those companies who have complied with 26 S.C. Ann. Regs. 103-607 and with the Commission's Rules and Regulations. The Commission is also of the opinion, and so finds, that the Certificates of Public Convenience and Necessity (for providing residential local exchange services) held by the companies listed in Revised Exhibit JMM-2 (attached as an Appendix to this Order, labeled "Appendix A" and made a part of the record in this matter as Hearing Exhibit 2) that have not filed a bond or other security mechanism with the Commission and ORS by October 3, 2012, should be revoked and cancelled for their continued willful violation of the Commission's Rules and Regulations and laws concerning filing requirements of telecommunications carriers.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED:

- 1. That the Certificates of Public Convenience and Necessity (for providing residential local exchange services) held by those companies listed in the Appendix attached hereto that remain out of compliance as of October 3, 2012, be, and hereby are, revoked and cancelled.
- 2. That all operating rights authorized under the Certificates (for providing residential local exchange services) held by the companies listed in the attached

Appendix that remain out of compliance as of October 3, 2012, and cancelled by this Order, are null and void.

- 3. That this Petition be, and hereby is, dismissed with respect to all companies who have complied with 26 S.C. Ann. Regs. 103-607 and with the Commission's Rules and Regulations.
- 4. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

David A. Wright, Chairman

ATTEST:

Randy Mitchell, Vice Chairman

(SEAL)

Appendix A Docket No. 2012-253-C Order No. 2012-778 September 27, 2012

OUT OF COMPLIANCE - DOCKET #2012-253-C

REVISED EXHIBIT JMM-2

Foreign or Docket # Order # 1 Good Standing 2004-54-C 2004-312 Good Standing 2003-200-C 2003-594 Forfeiture 1999-515-C 2002-2581 Forfeiture 2001-503-C 2002-2581 Good Standing 1999-176-C 1999-5721 Good Standing 2004-211-C 2004-5671 Good Standing 2003-336-C 2004-102							
Registered Agent status Domestic Docket # Order # Incorp Services Inc	10f1		Secretary				Date
Registered Agent	:		of State	Foreign or			Certificate
Incorp Services Inc	OrganizationName	Registered Agent	status	Domestic	Docket #	Order#1	Issued
Standing Sc 29073 Foreign Good Standing 2003-200-C 2003-594	ComTech21, LLC	Incorp Services Inc	Foreign	Good Standing	2004-54-C	2004-312	RADOUN
Lexington SC 29073	Michael Brady - EVP	317 Ruth Vista Rd	· ·	D		3.0	507000
AGENT RES/GNED Foreign Good Standing 2003-200-C 2003-594 Costar Garcia Comporation System Foreign Foreign Forfeiture 1399-515-C 2000-380 CT Corporation System Foreign Foreign Foreign Foreign Foreign Foreign Good Standing 1999-175-C 2000-2581 National Corporate Research, Ltd. Foreign Good Standing 1999-175-C 1999-5721 2 Office Park Ct, Ste 103 Columbia SC 29223 Foreign Good Standing 1999-175-C 1999-5721 AGENT RESIGNED Foreign Good Standing 2004-211-C 2004-5671 1 T703 Laurel St Columbia SC 29201 Foreign/ Good Standing 2003-336-C 2004-102	One Barnes Park, South	Lexinaton SC 29073					
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Oscar Garcia Corar Garcia Eoreign Foreign Foreign Foreign Foreign Foreign Foreign Foreign Foreign Good Standing 1999-515-C 2000-380	Mark Lammert - CPA., P.A./Compliance Solutions Inc		; ; ;	Simple Son	7	*000000	10/3/2003
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6300 White Horse Rd #118 Greenville SC 29611 Greenville SC 29611 Greenville SC 29611 Greenville SC 29611 Foreign Forfeiture 2001-503-C 2002-258¹ Columbia SC 29223 Ego e, LLC (BANKRUPTCY) AGENT RESIGNED Foreign Good Standing 2004-271-C 2004-567¹ Comporation Service Co. Foreign/ Good Standing 2003-338-C 2004-102 Columbia SC 29201	Flatel, Inc.	Oscar Garcia	Foreign	Forfeiture	1909-515-C	2000 380	A POR POOL
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Total Composation System	Adriana Solar - CFO	Greenville SC 29611	_				
Inc. CT Corporation System Foreign Forfeiture 2001-503-C 2002-2581	2300 Palm Beach Lakes Blvd.			 ,			
CT Corporation System	Executive Center Ste 100						
CT Corporation System	West Palm Beach FL 33409						
2 Office Park Ct, Sie 103 Columbia SC 29223 Columbia SC 29223 LLC (BANKRUPTCY) AGENT RESIGNED Corporation Service Co. Corporation Service Co. Columbia SC 29223 LLC (BANKRUPTCY) AGENT RESIGNED Corporation Service Co. Foreign/ Good Standing 2003-336-C 2004-102 T703 Laurel St Columbia SC 29201 Columbia SC 29201	Global NAPS South Carolina, Inc.	CT Corporation System	Foreign	Forfeiture	2001,503.0	2000 0001	0000000
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* LLC National Corporate Research, Ltd. Foreign Good Standing 1999-176-C 1399-5721 2 Office Park Ct, Ste 103 Columbia SC 29223 Foreign Good Standing 2004-211-C 2004-5671 1 * USA, LLC Corporation Service Co. Foreign/ Good Standing 2003-336-C 2004-102 1 * USA, LLC Corporation Service Co. Foreign/ Good Standing 2003-336-C 2004-102 * USA, LLC Columbia SC 29201 Foreign/ Good Standing 2003-336-C 2004-102	1120 Hancock St	Columbia SC 29223			_		
* LLC National Corporate Research, Ltd. Foreign Good Standing 1999-176-C 1399-572* 2 Office Park Ct, Ste 103 Columbia SC 29223 Foreign Good Standing 2004-211-C 2004-567* 1 * USA, LLC Corporation Service Co. Foreign/ Good Standing 2003-336-C 2004-102 1 * USA, LLC Columbia SC 29201 Foreign/ Good Standing 2003-336-C 2004-102	Quincy MA 02169-4313		-				
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LLC (BANKRUPTCY) AGENT RESIGNED Foreign Good Standing 2004-211-C 2004-567 ¹ 1 Corporation Service Co. Foreign/ Good Standing Columbia SC 29201 Domestic Columbia SC 29201	Renee Bethea - Tax Accountant	2 Office Park Ct. Ste 103)		2		200
LLC (BANKRUPTCY) AGENT RESIGNED Foreign Good Standing 2004-211-C 2004-567¹ 1 Corporation Service Co. Foreign/ Good Standing 2003-336-C 2004-102 Columbia SC 29201	PO Box 13860	Columbia SC 29223					
LLC (BANKRUPTCY) AGENT RESIGNED Foreign Good Standing 2004-211-C 2004-567 ¹ 1 Substitute Corporation Service Co. Foreign/ Good Standing 2003-336-C 2004-102 Columbia SC 29201	North Little Rock AR 72113-0860			a			
ns USA, LLC Corporation Service Co. Foreign/ Good Standing 2003-336-C 2004-102 1703 Laurel St Domestic Columbia SC 29201	Tennessee Telephone Service, LLC (BANKRUPTCY)	AGENT RESIGNED	Foreign	Good Standing	2004-211-C	2007 507	11/45/2007
Corporation Service Co. Foreign/ Good Standing 2003-336-C 2004-102 1703 Laurel St Domestic Columbia SC 29201	DBA Freedom Communications USA, LLC		· •	B	1	700+007	111
Corporation Service Co. Foreign/ Good Standing 2003-336-C 2004-102 1703 Laurel St Domestic Columbia SC 29201	Matt Davis - General Manager						
Corporation Service Co. Foreign/ Good Standing 2003-336-C 2004-102 1703 Laurel St Domestic Columbia SC 29201	220 Creekside Dr						
Corporation Service Co. Foreign/ Good Standing 2003-336-C 2004-102 1703 Laurel St Domestic Columbia SC 29201	Dickson TN 37055			···			
Columbia SC 29201	West Communications, Inc.	Corporation Service Co.	Foreign/	Good Standing	2002 336 0	2004 400	2/10/00/07
Columbia SC 29201	Edward Johnson - President/OEO	1703 Laurel St	Domestic	200	2000	701-1007	\$10471.6
	2117-B W Palmetto St, Ste 202	Columbia SC 29201					
	Florence SC 29501		<u></u>				

' Carriers were granted CLEC and IXC authority in one PSC Order. ORS requests revocation of CLEC authority only.

